TCE SPORTS SDN BHD
v. BULLZEN SPORT (MALAYSIA) SDN BHD

COURT OF APPEAL, PUTRAJAYA
AZIZAH NAWAWI JCA
AZIZUL AZMI ADNAN JCA
MOHD FIRUZ JAFFRIL J
[CIVIL APPEAL NO: P-02(IPCv)(W)-483-03-2023]
24 OCTOBER 2025

Abstract – *(i) Similarity of get-up between two competing products is not assessed by comparing individual elements in isolation. What must be considered is the overall impression created by the products as a whole and whether it gives rise to a likelihood of confusion; (ii) Sustained and increasing sales revenue over a significant period constitutes evidence of goodwill. In the absence of contrary evidence, such financial performance is sufficient to prove goodwill in a passing off action.*

TORT: *Passing off – Elements of – Fishing line products – Proprietor of 'SOL' trademark commenced passing off action against proprietor of 'XOL' trademark – Whether all elements of passing off action established – Whether goodwill in relation to products bearing 'SOL' trademark established – Whether evidence of revenue generated by SOL-branded fishing lines sufficient to prove goodwill – Whether there was misrepresentation by proprietor of 'XOL' trademark – Whether in assessing similarity between two competing products, regards must be had to overall impression of products – Whether damage due to acts of proprietor of 'XOL' trademark could be presumed*

The appellant ('plaintiff') was a manufacturer and seller of fishing line products in Malaysia and abroad. Its braided fishing line products bore the trademark 'SOL'. The respondent ('defendant') was a seller of similar braided fishing line products through a social media platform and an online shopping platform. The defendant's products bore the trademark 'XOL'. The plaintiff's case was that the defendant's use of the trademark 'XOL', together with the get-up employed in the defendant's product packaging, was so similar to that of the plaintiff's that it constituted the tort of passing off. According to the plaintiff, its products had been sold in Malaysia for many years and had therefore acquired goodwill in relation to the 'SOL' trademark. The plaintiff commenced an action for passing off against the defendant at the High Court. In dismissing the action, the High Court held that: (i) the plaintiff failed to establish that there was goodwill or reputation attached to its products; (ii) the plaintiff failed to establish the existence of misrepresentation giving rise to confusion or deception because (a) the

trademarks used by the parties were not confusingly similar or identical, and (b) the get-up employed in the respective product packagings was materially different; and (iii) the plaintiff failed to discharge its evidential burden of proving that it had suffered damage as a result of the defendant's acts ('High Court's decision'). Aggrieved, the plaintiff appealed. The issue on appeal was whether the plaintiff had successfully established all three elements required for an action in passing off, namely: (i) the existence of goodwill or reputation attached to the plaintiff's products; (ii) misrepresentation by the defendant; and (iii) damage suffered by the plaintiff due to the defendant's acts. Separately, the plaintiff filed an application under the Trademarks Act 2019 to register the 'SOL' trademark, which application was opposed by the defendant.

Held (allowing appeal; setting aside High Court's decision)
Per Azizul Azmi Adnan JCA delivering the judgment of the court:

(1) PW2 had produced evidence of the revenue generated by the SOL-branded fishing lines. PW2 set out sales revenue figures covering a period of seven years, beginning in 2013. The revenue increased steadily from slightly over RM200,000 in 2013 to more than RM2.5 million in 2020. This evidence was not challenged during cross-examination. Where a claimant had adduced sales figures for a product line demonstrating sustained growth over time, the court could safely conclude that goodwill existed in the product, in the absence of evidence to the contrary. There could hardly be better evidence of goodwill than revenue or profitability, as the *raison d'être* of a commercial enterprise is to generate revenue and make profit. The High Court failed to appreciate the significance of this evidence. (paras 15-17)

(2) In assessing the similarity of the get-up of competing products, the comparison had to be made by considering the entirety of the get-up used in the product packagings. The High Court failed to examine how each individual element in the defendant's product packaging corresponded to an element in the plaintiff's get-up, such that, when viewed as a whole, the similarities and the resulting risk of confusion would have been apparent to an ordinary observer. Although there were obvious differences in individual elements, the overall similarities were nonetheless striking and could not have been the result of mere coincidence. Almost every element in the defendant's product design could be linked to a corresponding element in the plaintiff's packaging. (paras 18, 19, 21 & 23)

(3) In opposing the plaintiff's trademark registration application, the defendant had acknowledged that there were similarities between the parties' trademarks. This factor, when considered together with the striking similarities in the overall get-up of the products' packagings, demonstrated that the plaintiff had sufficiently proved that the

defendant's products were being misrepresented as those of the plaintiff's. Accordingly, the High Court's finding that there was no misrepresentation by the defendant was plainly wrong. (paras 24-26)

(4) Where products are the same or sufficiently similar, damage could be inferred by the court. The defendant's products were sufficiently similar to those of the plaintiff's. As such, the court was entitled to presume that damage had been occasioned to the plaintiff by reason of that similarity. As the element of damage had been satisfied, the plaintiff's appeal was allowed, and the High Court's decision was set aside. (paras 27-29)

Case(s) referred to:

Consitex SA v. TCL Marketing Sdn Bhd [2008] 8 CLJ 444 HC ***(refd)***

Sinma Medical Products (M) Sdn Bhd v. Yomeishu Seizo Co Ltd & Ors [2004] 3 CLJ 815 CA ***(refd)***

Skyworld Holdings Sdn Bhd & Ors v. Skyworld Development Sdn Bhd & Anor [2022] 5 CLJ 74 FC ***(refd)***

For the appellant - Timothy Joseph Dass Melchior & Prayveen Raj Suparamaniam; M/s Timothy J Dass & Co

For the respondent - Ng Siok Lyn, Chung Wei Leng & Tan Jing Xuan; M/s Chung Chambers

[Editor's note: For the High Court judgment, please see TCE Sports Sdn Bhd v. Bullzen Sport (Malaysia) Sdn Bhd [2023] CLJU 379; [2023] 1 LNS 379 (overruled).]

Reported by Syamim Ariffin

JUDGMENT

Azizul Azmi Adnan JCA:

Introduction

[1] The appellant (plaintiff) in this case sued the respondent (defendant) for the tort of passing off. After a full trial of the action, the High Court dismissed the appellant's claim in its entirety.

[2] We allowed the appellant's appeal. The reasons for our decision are recorded here.

[3] In these grounds of judgment, the parties are referred to here as they were in the court below.

Background Facts

[4] The plaintiff's pleaded case is that it manufactures and sells fishing line products in Malaysia and abroad. Its braided fishing lines bear the following trademark:

A

B

[5] The plaintiff contended that its products have been sold for many years in Malaysia and have received numerous awards. Consequently – according to the plaintiff – it has acquired valuable goodwill in its trademark.

[6] The defendant also sells braided fishing lines. It sells them on (among others) Facebook, a popular social media platform, and Shopee, an online shopping platform. The defendant's braided fishing line product bears the following mark:

C

D

[7] The plaintiff's case was that the use of the defendant's mark and the get-up employed by the defendant in its product packaging constituted passing off.

E

[8] The get-up employed in the plaintiff's and the defendant's products are shown in the following image:

F

G

H

I

Fig. 1. The plaintiff's product is shown on the left.

[9] Separately from the current proceedings, the plaintiff had made an application under the Trademarks Act 2019 for the registration of its trademark. In December 2021, the defendant filed a notice to oppose the registration.

The Decision Of The High Court

[10] The High Court dismissed the plaintiff's claim. It found that:

(i) the plaintiff failed to establish that there had been goodwill or reputation attached to the plaintiff's goods;

(ii) there was no misrepresentation that created confusion or deception, as:

(a) the marks employed by the respective products were not identical or confusingly similar; and

(b) the get-up employed by the defendant was materially different that used in the plaintiff's product packaging;

(iii) the plaintiff failed to discharge its evidential burden to establish that it had suffered damage as a consequence of the acts of the defendant.

Analysis

[11] There was no material dispute between the parties as to the principles to be applied in an action for passing off, and hence it suffices for these principles to be summarised in brief.

[12] The following three elements that must be proven in an action for passing off:

(i) a claimant must establish goodwill or reputation attached to its goods;

(ii) it must prove that there was a misrepresentation by the defendant; and

(iii) finally, the claimant must establish that it had suffered a loss due to the misrepresentation by the defendant.

[13] The Federal Court in *Skyworld Holdings Sdn Bhd & Ors v. Skyworld Development Sdn Bhd & Anor* [2022] 5 CLJ 74 explained the common law cause of action for passing off in the following terms:

> [21] While the law of trade marks in Malaysia is governed by Act 175, the law of passing off is very much rooted in the common law. In *Reckitt & Colman Products Ltd v. Borden Inc And Others* [1990] IAU R 877, the House of Lords through Lord Oliver of Aylmerton has stated at p. 880 the following elements to prove passing off:
>
> > The law of passing off can be summarised in one short general proposition, no man may pass off his goods as those of another. More specifically, it may be expressed in terms of the elements which the plaintiff in such an action has to prove in order to succeed. These are three in number. First, he must establish a

goodwill or reputation attached to the goods or services which he supplies in the mind of the purchasing public by association with the identifying 'get-up' (whether it consists simply of a brand name or a trade description, or the individual features of labelling or packaging) under which his particular goods or services are offered to the public, such that the get-up is recognised by the public as distinctive specifically of the plaintiffs goods or services. Second, he must demonstrate a misrepresentation by the defendant to the public (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by him are the goods or services of the plaintiff. Whether the public is aware of the plaintiff's identity as the manufacturer or supplier of the goods or services is immaterial, as long as they are identified with a particular source which is in fact the plaintiff. For example, if the public is accustomed to rely on a particular brand name in purchasing goods of a particular description, it matters not at all that there is little or no public awareness of the identity of the proprietor of the brand name. Third, he must demonstrate that he suffers or, in a *quia timet* action, that he is likely to suffer damage by reason of the erroneous belief engendered by the defendant's misrepresentation that the source of the defendant's goods or services is the same as the source of those offered by the plaintiff.

[22] In short, in order to prove passing off, the plaintiffs must establish:

(i) goodwill or reputation attached to his goods or services (goodwill or reputation);

(ii) the plaintiffs must prove that a misrepresentation is done by the defendants (misrepresentation); and

(iii) the plaintiffs must also prove that he has suffered a loss due to the defendants' misrepresentation (damage).

[14] Each of these elements are considered in turn in the paragraphs that follow.

Goodwill

[15] On the issue of goodwill, the trial judge found that the plaintiff had failed to prove goodwill over the mark or get-up used in its product packaging. Yet there was evidence adduced by PW2, Mr Tan Chun Joo, on the revenue generated by the SOL-branded fishing lines. In his answer to question 6 in his witness statement, Mr Tan set out the sales revenue figures for the SOL-branded fishing lines for a period of seven years beginning in 2013. The revenue increased over time from slightly over RM200,000 in 2013 to over RM2.5 million in 2020[1]. Crucially, his evidence was not challenged in cross-examination[2].

[16] Where a claimant has adduced sales figures for a product line, and these sale figures show sustained growth over time, the court can safely conclude that there exists goodwill in the product in question, in the absence of evidence to the contrary. In our considered view, there can hardly be better evidence of goodwill than revenue or profitability, for the whole *raison d'etre* of a commercial enterprise would be to generate revenue and to turn a profit.

[17] On the facts of the case, we are constrained to find that the court below had failed to appreciate the import of the evidence of the revenue figures when it ruled that the plaintiff had failed to establish that it possessed goodwill in the SOL product line.

Misrepresentation

[18] The grounds of judgment of the High Court contained a careful analysis of each element of the product packaging to arrive at the conclusion that there was no similarity or element of confusion or deception in defendant's products. While we do not consider that the judge was incorrect in the analyses of the individual elements, what the judge has failed to appreciate was how each of the elements was arranged into the whole get-up of the product packaging.

[19] It is well-established that, in evaluating the similarity of the get-up of the competing products, the comparison should be undertaken between the entirety of the get-up employed in the product packing. Ramly Ali J (as His Lordship then was) stated in the case of *Consitex SA v. TCL Marketing Sdn Bhd* [2008] 8 CLJ 444; [2008] 3 MLJ 574:

> [41] The marks in dispute should not be demarcated and viewed in single elements. There are two words in the plaintiffs mark and two words in the defendant's mark. As such, when comparing the marks visually and orally, the comparison should be done in its entirety.

[20] In this case, in coming to his decision that there was no element of confusion of deception in the get-up employed by the defendant, the learned judge stated as follows:

> 39. In comparing the two, I find that D's mark and get-up or product packaging differ materially from that of P's mark and get-up or product packaging. There is not even any common element in the 2 products packaging. D's mark 'XOL', which is presented in a different font and style from that of P's mark, contrast dramatically from P's mark 'SOL'. I would also point out that the background watermark in the 2 products packaging is different. Namely soft 'leafy' type curves in the case of P's get-up, and sharp pointed 'triangles' in the case of D's get-up. In my view, the elements of confusion or deception is clearly absent. As such, P's allegation of misrepresentation is unsustainable.

[21] In our considered and respectful view, the court below had failed to consider how each individual element in the product packaging used by the defendant corresponded to an element in the plaintiff's get-up, such that, when the respective get-ups are viewed in their entirety, the similarities and consequently the risk of confusion would be apparent to an observer. Even though there are obvious differences between each individual element in the product packaging, but the overall similarities are nonetheless striking, and cannot, in our view, be the result of mere coincidence.

[22] The similarities in this case are as follows:

(i) the geometric shards of the defendant's product are arranged in a manner similar to the leaf design utilised by the plaintiff, and with a similar opacity. This pattern radiates from the top right of the defendant's product packaging, just like that in the plaintiff's product:

Fig. 2. The geometric shards of the defendant's product packaging corresponds to the translucent leafy design of the plaintiff's product packaging. They are both gray and radiate from approximately 2 o'clock in the spool, with both having similar opacity

(ii) although there are obvious differences in the SOL and XOL branding, (as observed by the trial judge) yet both are written in an italic, San-serif font. The placement of the brand also mimics that found on the plaintiff's product packaging:

Fig. 3. Both the branding marks are depicted in a modern, italic san-serif font

(iii) both products feature a circular margin in the packaging of approximately similar thickness, only with the colours reversed;

(iv) both packaging feature a black and red rectangular box on the right-hand centreline of the product packaging;

(v) both feature the words "super abrasion resistance" in italics, at approximately the same location in their packaging:

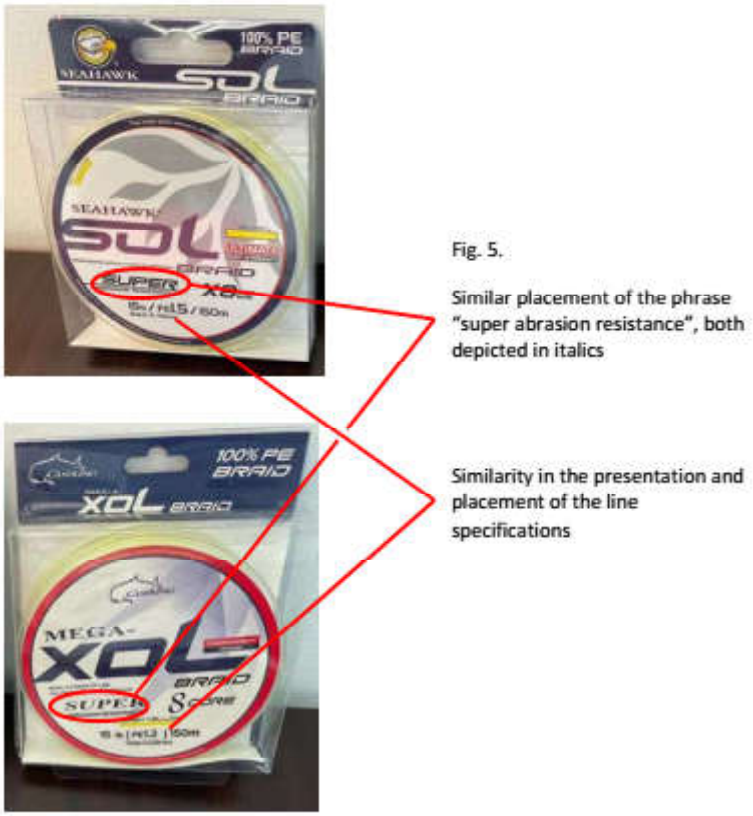

Fig. 5.

Similar placement of the phrase "super abrasion resistance", both depicted in italics

Similarity in the presentation and placement of the line specifications

(vi) both contain the specifications of the fishing line at the bottom part of the product packaging, at approximately the same location, and written in similar San-serif fonts.

[23] Indeed, almost every element of the defendant's product design can be linked to a counterpart in the plaintiff's packaging. Thus, while there were obvious differences when each element is analysed individually, if the product packaging is viewed as a whole, we cannot but conclude that the overall similarities in the get-up of the product packaging could not have been a coincidence.

[24] Crucially, the learned judge did not consider the fact that the defendant, when it opposed the plaintiff's trademark registration application, appeared to have accepted that there were similarities between the parties' marks[3]. Indeed, this was the principal basis of the defendant's opposition. The grounds of opposition stated as follows:

> (8) Notwithstanding the fact that the Applicant's Mark consists of the identical phonetic word of "SOL" which is not only identical and/or closely similar to the Opponent's Mark partially in terms of phonetic and conceptual and has applied for goods which are identical with and/or closely related to the goods offered by the Opponent in connection with the Opponent's Mark, the said "SOL" filed by the Applicant is obviously attempting to monopolise the existing market in respect of the fishing related products whereby most of the brands in the market do bear the common word of "SOL" or its variations which is not supposed to be owned by the Applicant. The mark "SOL" standalone itself is obviously identical with or similar to a well-known trademark in the same industry and approving the said mark "SOL" of the Applicant will prejudice the interest of the proprietor of the well-known trademark and cause damage not only to the well-known trademark proprietor but to the Opponent too due to such a common proposed mark "SOL" being applied by the Applicant. As opposed to the Opponent's mark "MEGA-XOL" which is a distinctive mark can be easily distinguished from the others. Consumers worldwide and/or in Malaysia recognise the Opponent's Mark as exclusively denoting the Opponent and the common proposed mark "SOL" exclusively denoting to one of the recognised well-known trademark Proprietor and the standalone usage of "SOL" shall be disallowed by the learned Registrar: *On this basis, there is a high likelihood of confusion being caused by the Applicant to the public given the above and having the ulterior intent to monopolise the market by filing the same*.
>
> (9) The Opponent avers that the Applicant has been deceiving public at large in particular within Malaysia by adopting the Opponent's Mark to monopoly this range of fishing products in Malaysia market by securing the Opponent's Mark without its consent.
>
> (emphasis added)

[25] We are of the considered view that, taking the following two factors together:

(i) the striking similarities in the overall get-up employed in the product packaging; and

(ii) the admission made by and on behalf of the defendant that the marks employed are confusingly similar;

the plaintiff has sufficiently proven its case that the product sold by the defendant was being misrepresented as that of the plaintiff's.

[26] It did not escape our attention that the question of whether there has been misrepresentation of the defendant to the public leading or likely to lead the public to believe that goods offered by it were the goods of the plaintiff is primarily one of fact. Indeed, we are of the view that the learned judge of the court below had correctly identified the applicable principles of law. We are nonetheless of the view that the finding by the High Court that there was no misrepresentation was plainly wrong, due to the court's failure to appreciate the evidence that was before it, as particularised in the preceding paragraph. Had these items of evidence been properly considered, no reasonable court in our view would have arrived at the conclusion that there had not been any misrepresentation.

Damages

[27] As to the final element of damages, it is well-established that where the products are the same or sufficiently similar, damage may be inferred by the court: see *Sinma Medical Products (M) Sdn Bhd v. Yomeishu Seizo Co Ltd & Ors* [2004] 3 CLJ 815; [2004] 4 MLJ 358.

[28] In this case, we are of the view that the products of the defendant are sufficiently similar to those of the plaintiff's such that the court may presume that damage has been occasioned to the plaintiff by reason of such similarity.

Conclusion

[29] For these reasons, we allowed the plaintiff's appeal and set aside the judgment of the court below. We granted judgment as follows:

(i) we allowed prayers A to J in the statement of claim;

(ii) we directed an inquiry as to damages payable by the defendant to the plaintiff;

(iii) we directed that the defendant bears pre-judgment interest at a rate of 5% per annum on the principal amount of the damages payable from 7 March 2022 until 12 December 2024; and

(iv) we directed the defendant bears post-judgment interest from 13 December 2024 until full satisfaction; and

(v) we allowed costs of RM80,000 here and below, such costs to be subject to an allocatur.

Endotes:

1. See encl. 12 at p. 271 of the record of appeal.
2. See his answer under cross-examination at E12/200.
3. See E13/349 at 352.